

CENTRAL INTELLIGENCE AGENCY

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EXPANSION OF PORTS AND SHIPPING INDUSTRY IN INDIA

TO MODERNIZE MAJOR SEAPORTS -- Patna, Aryavarta, 3 Dec 52

New Delhi, 1 December -- Lal Bahadur Shastri, Minister of Railways and Transport, told newsmen here today that the Indian government will spend 400 million rupees to expand and modernize the five major seaports -- Bombay, Madras, Calcutta, Visakhapatnam, and Cochin -- and to construct the new seaport of Kandla. He stated that the entire work should be completed by 1955 or 1956 within the period of the Indian Five-Year Plan. The fulfillment of this work, he said, will increase the annual capacity of Indian shipping by 5 million tons and will boost the current traffic of 20 million tons to 25 million tons per year.

In regard to finances, the minister declared that the Indian Planning Commission had recommended an initial allotment of 120 million rupees for the expansion of these five ports. Shastri proposed that the rest of the sum be raised by imposing a duty of 4 annas per ton on imports and exports at each of the ports.

Regarding the present shipping situation, he emphasized that India handles only 3-5 percent of the world's shipping and that profits barely reach 80 million rupees. It is hoped that profits will be increased twenty-fold under the port-expansion plan, he said.

He added that the government has approved an interest of 2½ percent on loans to encourage shipping companies to increase their fleet. Thus, he stated, such firms as Scindia and the Indian Steamship Company should be able to maintain 12 instead of 8 ships for their services between India and Britain.

In regard to recruitment, Shastri stated that a Seamen's Employment Exchange, which will be able to process 3,000 seamen a year, will be opened in Calcutta. He further stated that plans are now under way to open a training center in Saurashtra to train 2,000 seamen annually, and that 1,500 new seamen recruits are presently undergoing training at Visakhapatnam.

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OUTLINES COST OF PORT EXPANSION PLAN -- Bombay, Vishwamitra, 4 Dec 52

New Delhi, 3 December -- Railways and Transport Minister Lal Bahadur Shastri, during an interview with reporters, indicated that it will cost the government 300 million rupees to expand the five ports and that it will require an additional 100 million rupees to construct Kandla seaport and the oil refineries on Butcher Island, Bombay.

Shastri stated that the 300 million rupees for the expansion of the major seaports will include 100 million rupees for the port of Bombay, 110 million rupees for the port of Calcutta, and 40 million rupees for the port of Madras. The rest will be required for Cochin and Visakhapatnam. He also declared that the expansion of the port of Bombay will include the operations of oil refineries on Trombay Island and the construction of a pier on Butcher Island.

SHIPBUILDING AT VISAKHAPATNAM -- Delhi, Navbharat Times, 26 Dec 52

New Delhi, 25 December -- The Indian government announced that nine more ships, including four 8,000-ton vessels, will be completed by the Visakhapatnam Shipbuilding Yard by the end of 1954. It also announced that three ships were constructed at this yard during 1952, and that construction on two others will continue to the end of 1954 or 1955.

The government plans to construct 100,000 tons of shipping under the Five-Year Plan. This will include 60,000 tons to replace old ships. The government will also spend 60 million rupees to acquire 65,000 tons from foreign sources for coastal shipping. The Eastern Shipping Corporation will add 40,000 tons at a cost of 60 million rupees.

The Indian government hopes to have acquired a total of 315,000 tons of coastal and 223,000 tons of transoceanic shipping by the end of the Five-Year Plan.

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